

January 25, 2012



4850 Ampere Drive  
Reno, NV 89502

Cary Becker / CEO  
Escape Broadband  
11260 Donner Pass Road #C1-200  
Truckee, CA 96161

Dear Cary Becker:

I am writing to you as a final attempt to commence retransmission consent negotiations with you for KOLO-TV. I sent you KOLO's proposed retrans agreement for the next three-year cycle on October 28<sup>th</sup> 2011 and have attempted to make contact with you several times since then.

It is imperative that we commence negotiations for you to continue to carry KOLO-TV in Walker and Bridgeport or consequently drop our station by February 1<sup>st</sup> 2012.

I hope to hear from you soon. The best way to reach me is by email at [matt.eldredge@kolotv.com](mailto:matt.eldredge@kolotv.com) or by telephone at 775-351-0201.

Sincerely,

Matthew B. Eldredge  
VP/General Manager  
KOLO-TV - Reno

**SENDER: COMPLETE THIS SECTION**

- ☒ Complete Items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired.
- ☒ Print your name and address on the reverse so that we can return the card to you.
- ☒ Attach this card to the back of the mailpiece, or on the front if space permits.

**1. Article Addressed to:**

Escape Broadband  
Attn: Cary Becker / CEO  
11260 Donner Pass Road,  
#C1-200  
Truckee, CA 96161

**2. Article Number**

(Transfer from service label)

PS Form 3811, February 2004

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature   
☒ Agent  
☒ Addressee

B. Received by (Printed Name)  
C. Date of Delivery  
1/26/12

D. Is delivery address different from Item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type  
☒ Certified Mail ☐ Express Mail  
☐ Registered ☐ Return Receipt for Merchandise  
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

7010 3090 0000 7933 0305

Domestic Return Receipt

102585-02-M-1540

7010 3090 0000 7933 0305

Street, Apt. No.,  
or P.O. Box No. 11260 Donner Pass Road, #C1-200  
City, State, ZIP+4<sup>®</sup> Truckee, CA 96161

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

RENO, NV 89509  
Signature  
2012  
1/26/12

OFFICIAL USE  
FOR DELIVERY BY MAIL ONLY (NO INSURANCE COVERAGE REQUIRED)  
FOR DELIVERY BY MAIL ONLY (NO INSURANCE COVERAGE REQUIRED)



Cary Becker / CEO

Escape Broadband

11260 Donner Pass Road #C1-1

Truckee, CA 96161

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Escape Broadband  
Attn: Cary Becker / CEO  
11260 Donner Pass Road,  
#C1-200  
Truckee, CA 96161

**2. Article Number:**

(Transfer from service label)

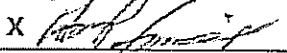
7010 3090 0000 7933 0022

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY****A. Signature**

X  ☐ Agent ☒ Addressee

**B. Received by (Printed Name)**

Bill Smith

**C. Date of Delivery**

12/15/11

**D. Is delivery address different from item 1?** ☐ Yes

If YES, enter delivery address below: ☐ No

**3. Service Type**

- ☒ Certified Mail ☐ Express Mail
- ☐ Registered ☐ Return Receipt for Merchandise
- ☐ Insured Mail ☐ C.O.D.

**4. Restricted Delivery? (Extra Fee)**

☐ Yes

Dear Cary Becker:

I write to follow up on my previous attempts to commence retransmission consent negotiations with you for KOLO-TV. I sent you KOLO's proposed retrans agreement for the next three-year cycle on October 28th.

Unfortunately, several weeks have now passed with no response from you. I'm not certain why you are intentionally delaying or even refusing to negotiate. Still, we need to begin these negotiations without any further delay.

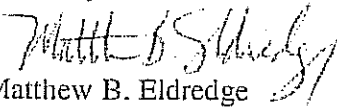
With holidays and vacations approaching, we need to know no later than December 19th if you will still wish to carry KOLO-TV in Walker and Bridgeport effective the first of the year. The only way we can have that certainty is if we sign an agreement with you by that date.

While we are eager to wrap up the three-year agreement with you quickly, our initial offer cannot remain open forever. Consequently, if we do not conclude our negotiations by this Monday, our last proposal will expire.

I hope to hear from you soon. The best way to reach me is by email at [matt.eldredge@kolotv.com](mailto:matt.eldredge@kolotv.com) or by telephone at 775-351-0201.

We need to wrap up our discussion with you without any further delay so that we can either plan for the Holidays or plan for your drop of our station on New Year's.

Sincerely,

  
Matthew B. Eldredge  
VP/General Manager  
KOLO-TV - Reno

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Escape Broadband  
Attn: Cary Becker / CEO  
11260 Donner Pass Road,  
#C1-200  
Truckee, CA 96161

## 2. Article Number

(Transfer from service label)

7010 3090 0000 7933 0190

## COMPLETE THIS SECTION ON DELIVERY

## A. Signature

X *[Signature]*☒ Agent  
☐ Addressee

## B. Received by (Printed Name)

Bill Smith

## C. Date of Delivery

11/21

## D. Is delivery address different from item 1?

☐ YesIf YES, enter delivery address below: ☒ No

## 3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

## 4. Restricted Delivery? (Extra Fee)

☐ Yes



October 28, 2011

Escape Broadband  
Attn: Cary Becker / CEO  
11260 Donner Pass Road, #C1-200  
Truckee, CA 96161

Dear Cary Becker,

As you know, we provided you earlier with the FCC-required notification of our station's election of retransmission consent status on your cable system for the next three-year cycle. We suspect that you share our interest in a mutually acceptable renewal of our existing retransmission agreement as quickly as possible and certainly before the Holidays begin. To that end, we now wish to begin a substantive dialogue on the material terms and conditions.

As you know, we are operating under an agreement with your company that was executed just a few years ago. While we do not regard all the terms in that agreement as beneficial, we nevertheless are prepared to continue operating under those terms through the next three-year cycle. We therefore propose to renew the existing agreement from January 1, 2012 through December 31, 2014, with simply an update to the retransmission fee. This approach will reduce the time and expense that both of us otherwise would need to invest in these negotiations, and we believe that there is great value in this streamlined approach for both parties.

In terms of the retransmission fee, we can both agree that the marketplace for broadcast, non-broadcast, and sports programming rights has undergone tremendous changes since our last negotiation. We are not looking to lead the market. Rather, we seek only to be compensated fairly for the tremendous value that our station's network and non-network programming bring to your cable system.

In our case, this includes popular ABC Programming such as Good Morning America, ABC World News Tonight, Dancing with the Stars, Modern Family, Grey's Anatomy and Desperate Housewives, ABC sports programming including NBA Basketball, NCAA College Football, the Indianapolis 500 and Nascar. We also air popular syndicated programming such as Live with Regis and Kelly, Rachael Ray, Dr. Oz, Jeopardy and Wheel of Fortune. As you are probably aware, our station is consistently the #1 station in the Reno market, surpassing all other broadcast stations in sign on to sign off share and also significantly outperforming any and all cable networks in the market as well.

After extensive research, we prepared the enclosed proposal to be fully consistent with marketplace conditions.

At this time, I am also prepared to extend a special incentive discount. If you find our amendment acceptable, and you return a signed version to me before November 15th, our station will grant an incentive discount to the fees due throughout the three-year term. This discount reflects the value to us of finalizing a retrans renewal quickly and without the additional expense of time, legal fees, and the like. The incentive rates are contained in our proposed amendment.

Please understand that this outline is intended to be an expression of our interest and intention to proceed in good faith toward a definitive agreement. It is not intended to be a formal offer or binding agreement in and of itself, and any agreement between the parties will become binding only at such time as we both execute a definitive agreement. Finally, we are proceeding with this proposal on the understanding that our negotiations are subject to the confidentiality provisions of our existing agreement. If you do not agree with this approach, please communicate that to me immediately, and be advised that this outline will be withdrawn.

We look forward to hearing from you soon regarding our renewal negotiations.

Thank you,

A handwritten signature in black ink, appearing to read "Matthew B. Eldredge". The signature is fluid and cursive, with a large, stylized "M" and "B".

Matthew B. Eldredge  
General Manager  
KOLO-TV